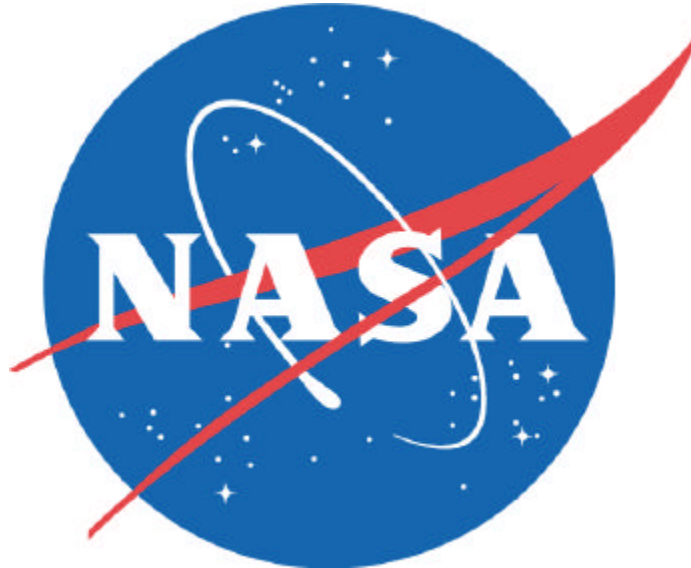


Responsible Office: Code AE/ Office of the Chief Engineer  
**Subject:** Manage Programs & Budget



**Chief Engineer**

**Office Work Instruction**

**Manage Programs & Budget**

Original Approved by: Dr. Daniel R. Mulville, Chief Engineer

Responsible Office: Code AE/ Office of the Chief Engineer  
**Subject:** Manage Programs & Budget

## DOCUMENT HISTORY LOG

<u>Status</u> <u>(Baseline/</u> <u>Revision/</u> <u>Canceled)</u>	<u>Document</u> <u>Revision</u>	<u>Effective</u> <u>Date</u>	<u>Description</u>
Baseline		12/10/99	

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## **1.0 Purpose**

The purpose of this procedure is to document the process used by the Office of the Chief Engineer (Code AE) to manage the programs & budgets controlled by the Chief Engineer.

## **2.0 Scope and Applicability**

### **2.1 Scope**

This is the process used by Code AE to manage the programs & budget controlled by the Chief Engineer. Included in this OWI are procedures to formulate and implement budgets, and perform program planning and evaluation.

This process is controlled by Code AE. Included are the following sub-processes:

- a. Budget Formulation
- b. Budget Implementation
- c. Program Planning and Evaluation

### **2.2 Applicability**

This OWI applies to Code AE.

## **3.0 Definitions**

- 3.1 AOP. Annual Operating Plan – Planned obligations/costs by month by Center
- 3.2 NF 506. Resources Authority Warrant (“506 green”) from Comptroller )
- 3.3 NF 506A. Resources Authority Warrant (“506 white”)
- 3.4 CIC. Capital Investment Council
- 3.5 FACS. Monthly Financial and Contractual Status report (Code B)
- 3.6 IPO. Institutional Program Office
- 3.7 OMB. Office of Management and Budget
- 3.8 AE PFP. Program Financial Plan for Code AE
- 3.9 POP. Program Operating Plan

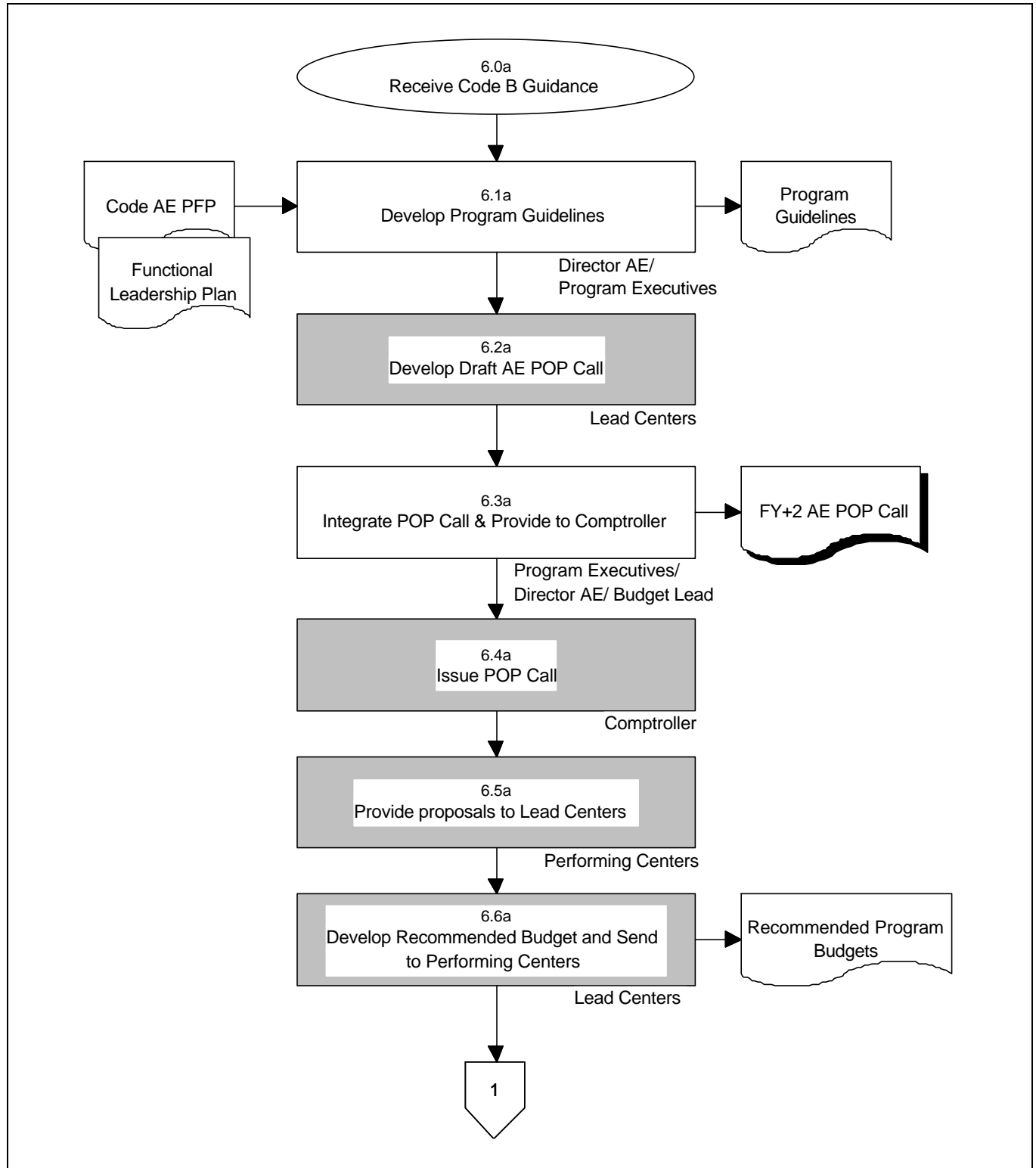
## **4.0 References**

- NPG 1000.2 NASA Strategic Management Handbook
- NPG 7120.5 Program and Project Management Handbook

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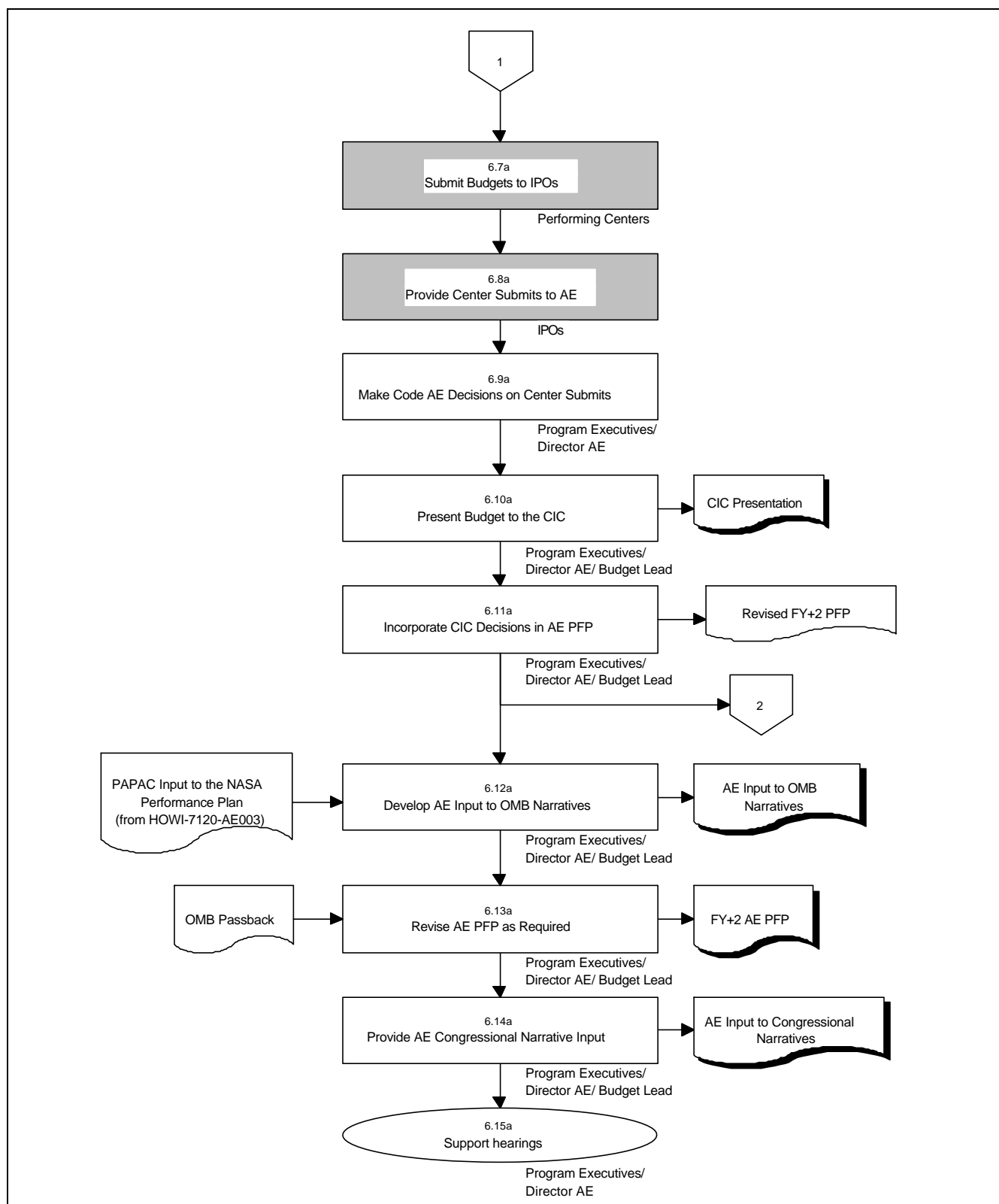
## 5.0 Flowchart

### (a) Budget Formulation



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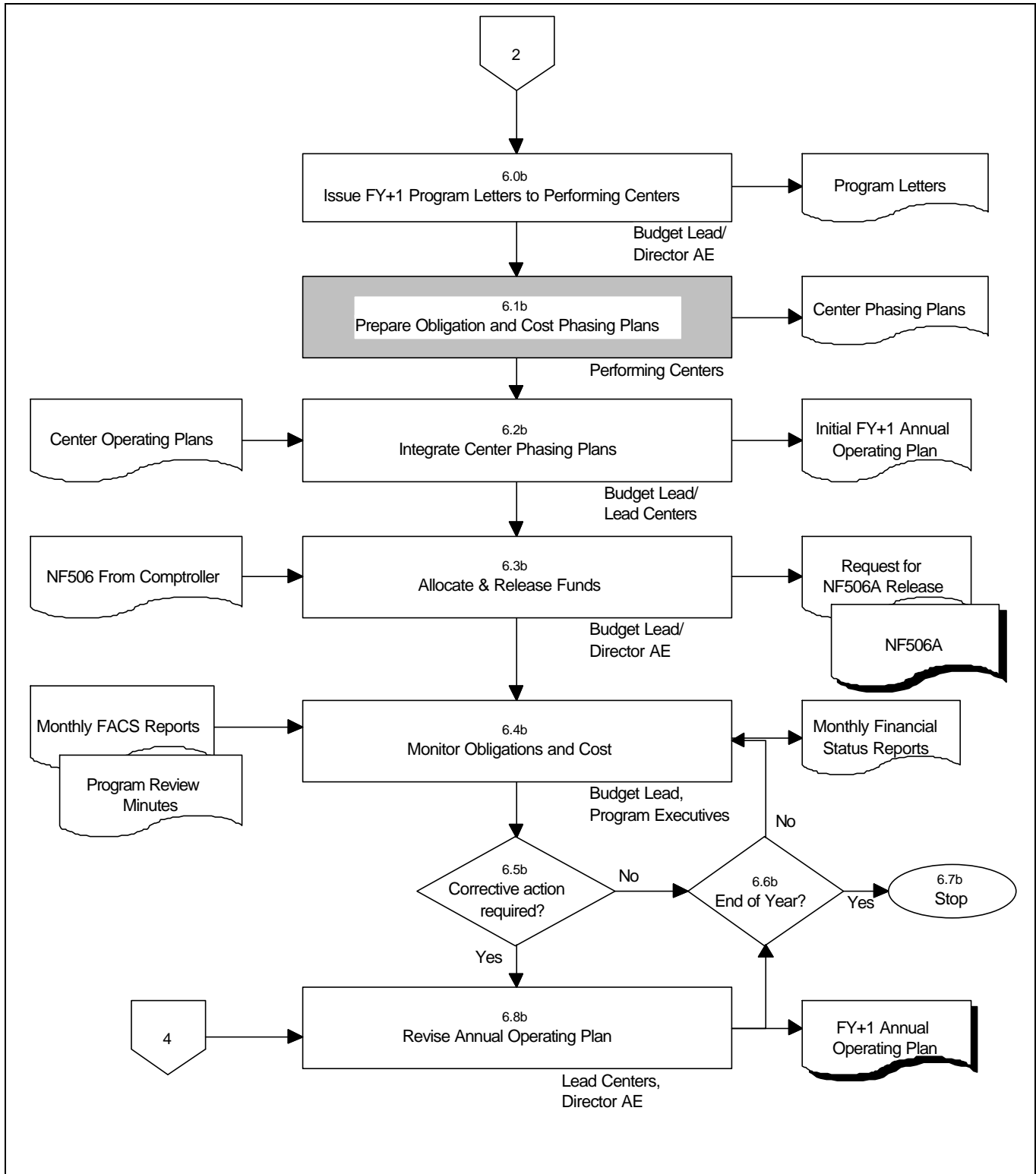
## (a) Budget Formulation - continued



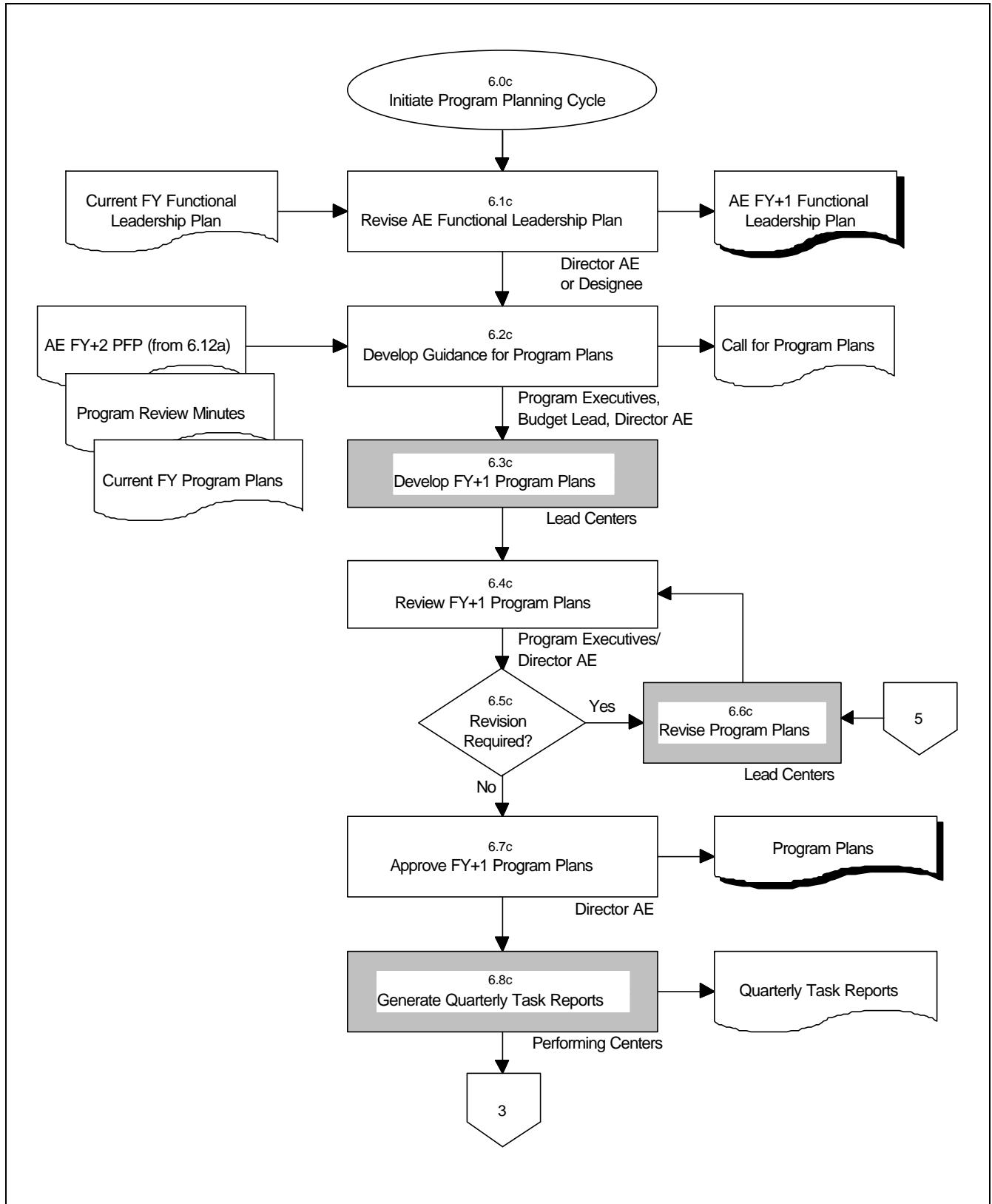
CHECK THE MASTER LIST at <http://hqiso9000.hq.nasa.gov>  
 TO VERIFY THAT THIS IS THE CORRECT VERSION BEFORE USE

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## (b) Budget Implementation



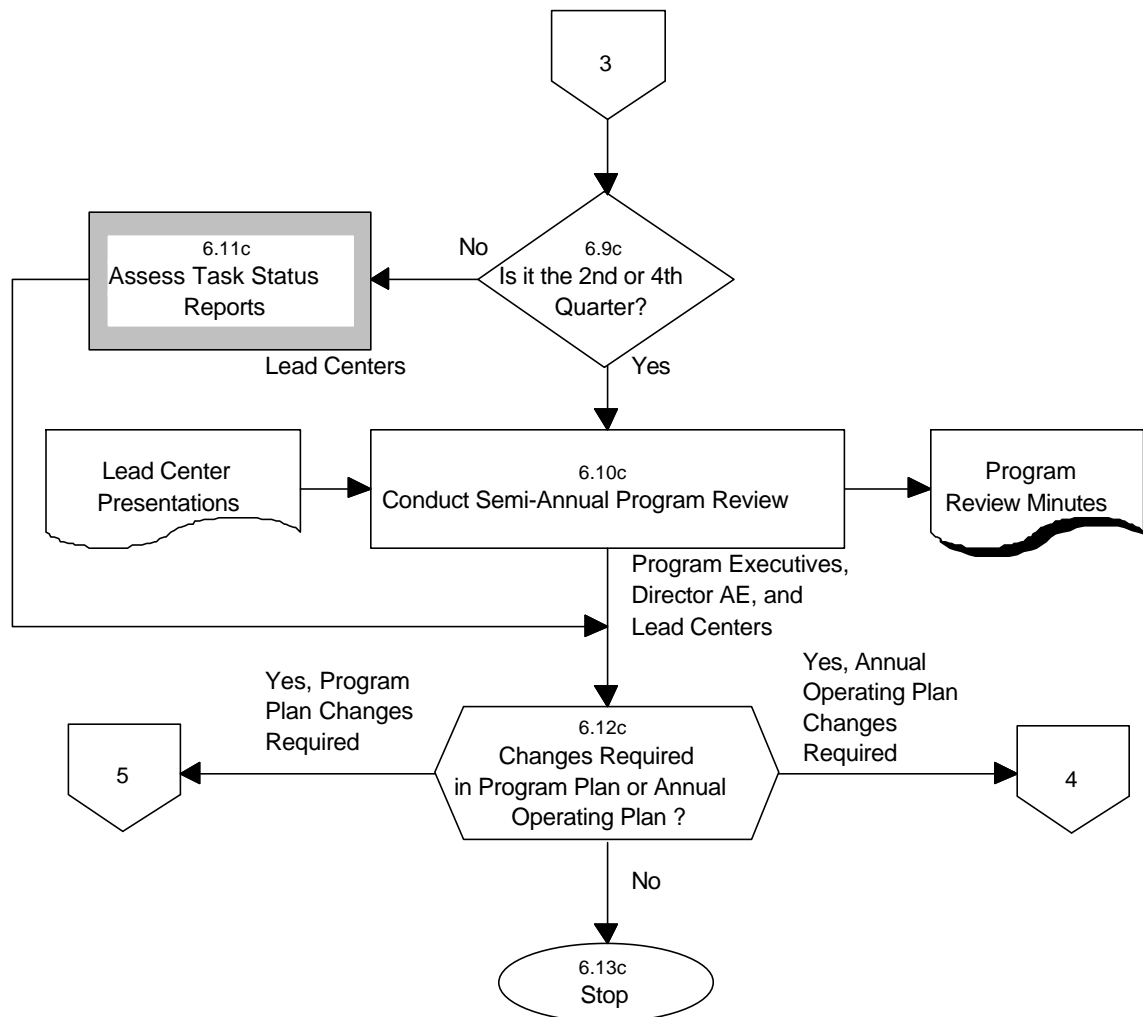
## (c) Program Planning &amp; Evaluation



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(c) Program Planning & Evaluation - continued





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## 6.0 Procedure

### (a) Budget Formulation

<u>Step</u>	<u>Actionee</u>	<u>Action</u>
6.0a		Comptroller issues guidance for development of budget estimates.
6.1a	Director AE/ Program Executives	Develop Program Guidelines on potential initiatives, priorities, and proposed changes in previous AE PFP and the AE Functional Leadership Plan resulting from 6.1c; provide guidelines to Program Lead Centers.
6.2a	Lead Centers	Define proposed future program content, and areas of emphasis in a draft POP Call for review by Code AE.
6.3a	Program Executives/ Budget Lead/ Director AE	Review, revise and integrate Lead Center inputs into a consolidated AE POP Call. Provide to the Comptroller through Code Q.
6.4a	Comptroller	Comptroller integrates Code AE POP Call into NASA POP call for FY+2 to FY+6 and issues to IPOs (Institutional Program Offices) and Centers.
6.5a	Performing Centers	Performing Centers provide proposals to Lead Centers in each Program Area, for evaluation.
6.6a	Lead Centers	Lead Centers evaluate proposals, establish priorities and develop Recommended Program Budgets with justification for each Program Area and coordinate informally with Program Executives in Code AE.
6.7a	Performing Centers	Submit recommended budgets to the Comptroller through IPOs
6.8a	IPOs	IPOs provide Center POP responses for UPN297 to Code AE
6.9a	Program Executives, Director AE	Program Executives review Center POP responses, make recommendations to Director AE for decisions on the budget to be presented to the CIC.
6.10a	Program Executives, Budget Lead, Director AE	The Budget Lead , in cooperation with the Program Executives, prepares an integrated Code AE CIC Presentation for the Director, AE,
6.11a	Program Executives, Budget Lead, Director AE	Incorporate decisions on budget adjustments from the CIC and Administrator into a revised FY+2 PFP, which is approved by the Director AE. The revised FY+2 PFP provides input for the Budget Implementation Process (6.0b) for FY+1 and interim planning budgets for FY+2 to FY+6.
6.12a	Program Executives, Budget Lead, Director AE	Prepare AE Input to OMB Narratives based on Lead Center Budget Justification materials (Budget Lead); obtain concurrence of the Program Executives, combine with PAPAC input to the Performance Plan from HOWI_7120-AE003, "Lead and Manage PAPAC Process", and submit for approval by the Director AE. Provide approved narratives through Code Q to the Comptroller as the Code AE input to the OMB Budget Justification Narrative for FY+2
6.13a	Program Executives, Budget Lead,	Revise the FY+2 PFP from 6.10a as required by the OMB Passback; the Final FY+2 PFP is used as the basic planning document for FY+2 to FY+6 Program Plans

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<u>Step</u>	<u>Actionee</u>	<u>Action</u>
	Director AE	
6.14a	Budget Lead, Program Executives, Director AE	Modify AE Input to the OMB Narratives as required by the OMB Passback to develop the Code AE Input to the Congressional Narratives; this input is developed by the Budget Lead, concurred in by Program Executives, approved by the Director AE, and provided to the Comptroller.
6.15a	Program Executives, Director AE	Support Congressional Authorization and Appropriation Hearings as required with supplementary information developed by the Program Executives and approved by the Director AE.

## (b) Budget Implementation

<u>Step</u>	<u>Actionee</u>	<u>Action</u>
6.0b	Budget Lead, Director AE	Decisions for FY+1 are documented in Program Letters to each Center identifying FY+1 guidelines for tasks in each Program Area and requesting Center Phasing Plans for Obligations/Costs by month.
6.1b	Performing Centers	Performing Centers develop FY+1 Phasing Plans detailing planned monthly cost/obligation for each Program Area and provide them to the Lead Centers and to Headquarters as requested in the Program Letters (6.10a.)
6.2b	Budget Lead/ Lead Centers	Integrate Center Phasing Plans to provide a consolidated FY+1 Annual Operating Plan (AOP) for Code AE and establish the time-phased basis for distribution of FY+1 funds to avoid program disruptions. Lead Centers will establish Annual Operating Plans for Each Program Area. Individual Centers are responsible for ensuring that allocation of distributed funds within the Center meets task needs across Program Areas.
6.3b	Budget Lead/ Director AE	The Comptroller provides incremental NF506 ("506 Green") consistent with Appropriation authority from the Congress and release by the Office of Management and Budget. Code Q will issue NF506A ("506 white") authorization is issued to Performing Centers as requested by the AE Budget Lead, with the approval of the Director AE. (Performing Centers must optimize allocations within available authority, to meet Center Phasing Plans.
6.4b	Budget Lead, Program Executives	Monitor actual obligations and costing against individual Center Phasing Plans based on FACS reports to produce Monthly Financial Status Reports. The Lead Centers will monitor obligation and cost performance in their respective Program Areas and report at least quarterly.
6.5b	Budget Lead, Program Executives, Lead Centers	Determine the need for revising the AOP based on significant deviations from Center Phasing Plans, Program Review decisions (6.10c), or changed priorities.
6.6b		If no corrective action is needed, monitoring continues (6.4b).
6.7b		At the end of the Fiscal Year, the process stops ; carryover is monitored the following year
6.8b	Lead Centers, Director AE	If corrective action is needed, either as a result of deviations from the Phasing Plan (6.4b) or actions from the Program Review (6.11c), revise the Annual Operating Plan. If the year is not ended, continue monitoring (6.4b).

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### (c) Program Planning & Evaluation

<u>Step</u>	<u>Actionee</u>	<u>Action</u>
6.0c		Establishing the FY+2 AE PFP (6.12a) provides a baseline for initiating Program Planning for the next budget cycle. Program Plans are required for the areas of Technical Standards, Systems Engineering, Design, Analysis, Test and Verification, Independent Program Assessment Office and Electronic Parts and Packaging.
6.1c	Director AE, or Designee	The existing Code AE Functional Leadership Plan is updated by the Director AE or designee in coordination with the Program Executives and approved by the Director AE. The resulting FY+1 AE Functional Leadership Plan meets the requirements of NPG7120.5, implements the Provide Aerospace Products and Capabilities Crosscutting Process defined in the NASA Strategic Management Handbook (NPG 1000.2).
6.2c	Program Executives, Budget Lead, Director AE	Program Executives develop overall budget and content guidance for each Program Area consistent with the AE PFP from 6.12a, the previous Program Plan, the AE Functional Leadership Plan, changes in priorities, and decisions from the Semi-Annual Program Review. The guidance is integrated by the Budget Lead and approved by Director, Code AE into a call for Program Plans.
6.3c	Lead Centers	Lead Centers develop Draft FY+1 Program Plans, in conjunction with Performing Centers, consistent with guidance provided in 6.2c; supplementary initiatives may be proposed for FY+3 and beyond. Plans shall conform to the requirements of NPG 7120.5, including specification of performance goals and performance indicators, except where deviations are authorized by the Director AE.
6.4c	Program Executives, Director AE	Program Executives review and recommend necessary changes, where necessary for preliminary review of the Program Area Plans by the Director AE. Required changes to Program Plans may also result from the semi-annual Program Reviews in 6.9c.
6.5c	Program Executives, Director AE	If revision is required, the Director AE transmits the request for required change to the Lead Centers.
6.6c	Lead Centers	Lead Centers revise Program Plans as required.
6.7c	Director AE	The Director AE approves Program Plans when no further changes are required.
6.8c	Performing Centers	Performing Centers develop Quarterly Task Status Reports on each funded task providing information on accomplishments (against plans), financial status, and identifying issues requiring action. The Performing Centers provide reports to the appropriate Lead Center for evaluation and to Headquarters for information.
6.9c	Performing Centers	Quarterly Reports for the 2 <sup>nd</sup> and 4 <sup>th</sup> Quarters provide input for a Semi-Annual Program Review. In the 1 <sup>st</sup> and 3 <sup>d</sup> Quarters, assessment is performed by the Lead Centers.
6.10c	Program Executives, Director AE, and	A Semi-Annual Performance Review will be held with the Program Executives and the chaired by the Director AE following the 2 <sup>nd</sup> and 4 <sup>th</sup> Quarters. Lead Center present Program Status and recommend corrective action as required.

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<u>Step</u>	<u>Actionee</u>	<u>Action</u>
	Lead Centers	Necessary actions will be documented in the Performance Review Minutes.
6.11c	Lead Centers	Lead Centers assess Task Status Reports for the 1 <sup>st</sup> and 3 <sup>rd</sup> Quarters and identify issues requiring action by AE.
6.12c	Program Executives, Director AE	If changes are required, they can involve both the Program Plans and the Annual Operating Plans. Operating Plan changes are made at 6.8b. Program Plan Changes are made at 6.6c.
6.13c		If no modification of Program Plans is required, the process stops pending future input. End process.

## 7.0 Quality Records

<u>Record ID</u>	<u>Owner</u>	<u>Location</u>	<u>Record Media</u>	<u>NPG 1441.1 Schedule and Item Number</u>	<u>Retention/Disposition</u>
FY+2 AE POP Call	Code AE	Code AE Files	Hardcopy	Schedule 7, Item 21 F	Destroy 1 year after the close of the fiscal year covered by the budget.
CIC Presentation	Code AE	Code AE Files	Hardcopy	Schedule 7, Item 21 F	Destroy 1 year after the close of the fiscal year covered by the budget.
AE Input to OMB Narratives	Code AE	Code AE Files	Hardcopy	Schedule 7, Item 21F	Destroy 1 year after the close of the fiscal year covered by the budget.
FY+2 AE PFP	Code AE	Code AE Files	Hardcopy	Schedule 7, Item 21 D1	Destroy 2 years after the close of the fiscal year.
AE Input to Congressional Narratives	Code AE	Code AE Files	Hardcopy	Schedule 7, Item 21F	Destroy 1 year after the close of the fiscal year covered by the budget.
NF506A	Code AE	Code AE Files	Hardcopy	Schedule 7, Item 21D1	Destroy 2 years after the close of the fiscal year.
FY+1 Annual Operating Plan	Code AE	Code AE Files	Hardcopy	Schedule 7, Item 22	Destroy when 5 years old.
AE FY+1 Functional Leadership Plan	Code AE	Code AE Files	Hardcopy	Schedule 7, Item 4C	Destroy 2 years after succession
Program Plans	Code AE	Code AE Files	Hardcopy	Schedule 7, Item 21D1	Destroy 2 years after the close of the fiscal year covered by the budget Fiscal Year.
Program Review Minutes	Code AE	Code AE Files	Hardcopy	Schedule 7, Item 21F	Destroy 1 year after the close of the fiscal year covered by the budget.